impacts the domestic prices. With a view to containing the burden of increase in international prices on consumers of the above sensitive petroleum products, it was decided that the burden should be equitably shared by consumers, the Government and oil companies. Government for its part, have reduced the duties on sensitive products effective 19-8-2004 and subsequently in the current budget. The Oil Marketing Companies (OMC), in accordance with administrative instructions, have been modulating impact of high oil prices on domestic retail prices of sensitive products.

Government pricing policy constantly attempts to strike a proper balance among the interests of all stake-holders, including consumers, OMCs and the Government.

Production of Oil from New find in Rajasthan

912. SHRIMATI SUKHBUNS KAUR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the UK based Cairn Energy has offered a plan based on an oil find in Barmer District of Rajasthan, aimed at producing 1,25,000 barrel of crude per day by mid-2007;

(b) if so, the details of the plan offered; and

(c) Government's decision in regard thereto?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (c) M/s. Cairn Energy India Pvt. Ltd., operator of block RJ-ON-90/1 in Barmer District of Rajasthan, has submitted a Development Plan, which is under examination in DGH. The plan envisages oil production @ 1,08,000 barrel per day by October, 2007 for a period of five years with an investment of about US$ 1934 million.

Revision in dealers commission

913. SHRI N.R. GOVINDRAJAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have received representations from Petroleum Dealers Association for the increase in dealers' commission to make it economically viable;

(b) whether the dealers commission of private petroleum companies is higher than the dealers of oil PSU; and

(c) if so, by when a final decision on the issue of dealers commission shall be taken by Government to enable the PSU oil companies to compete with the private oil marketing companies?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) Yes, Sir.

(b) The dealers' commission offered by the private petroleum companies varies depending upon investment made by the dealers.

(c) Government have accepted the recommendations of the Committee of Directors' (Marketing) of Oil Marketing Companies (OMCs) to increase dealers commission from Rs.707/KL to Rs.848/KL for petrol and from Rs.425/KL to Rs.509/KL for diesel and OMCs have been advised accordingly.

Demand for petroleum products

914. SHRI SANJAY RAUT: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that demand rate of petroleum products is increasing day by day in our country as compared to other countries;

(b) if so, the details thereof; and

(c) the steps taken or proposed to be taken to contain demand of petroleum products?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (b) According to International Energy Agency (IEA), the estimated global oil demand will rise by about 1.6% per year during the period 2000-2030. Oil demand in China is expected to grow at 3% per annum and that of East Asia including Indonesia at 2.7% per annum. South Asian oil demand is projected to grow at a slightly higher rate of 4% compared to Indian projected growth of 3.3%.

The percentage increase in the consumption of petroleum products in the country during the last three years is as under:—